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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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[X] QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended February 29, 1992

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-6877

SANTA FE FINANCIAL CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Nevada	95-2452529
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)

Mailing Address: P. O. Box 80037
San Diego, CA 92138

Street Address: 2251 San Diego Avenue, Suite A-151
San Diego, CA 92110

(619) 298-7201
(Registrant's Telephone Number, including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

(1) Yes X No ___ (2) Yes X No ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class of Common Stock	Outstanding at April 13, 1992
$.10 Par value	1,144,978 shares

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PART I - FINANCIAL INFORMATION

Item 1 - Financial Statements

SANTA FE FINANCIAL CORPORATION
CONSOLIDATED BALANCE SHEET

	February 29 1992 (Unaudited)	May 31 1991
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,350,835	$ 3,496,008
Other current assets	48,189	24,364
Deferred income taxes	45,044	47,832
Current portion of notes receivable (Note 2)	260,246	329,654
Total current assets	3,704,314	3,897,858
Notes receivable from related parties	237,384	159,727
Investments:		
Investment in Justice Investors	3,070,574	2,757,112
Other investments	36,612	36,612
	3,107,186	2,793,724
Furniture and fixtures, at cost, less accumulated depreciation of $83,061 in 1992 and $ 73,031 in 1991	22,178	31,477
Other assets:		
Restrictive cash equivalents	2,428,760	2,131,096
Notes receivable, less current portion	48,708	1,576
Deferred income taxes	3,818	4,358
	2,481,286	2,137,030
Total assets	$ 9,552,348	$ 9,019,816
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 48,365	$ 27,077
Income taxes payable	32,694	104,816
Current portion of long-term debt	5,275	4,776
Total current liabilities	86,334	136,669
Long-term debt, less current portion	6,553	10,593
Accrued legal and trustee fees	1,070,682	1,018,500
Minority interest	2,756,748	2,663,513
SHAREHOLDERS' EQUITY		
Preferred stock - 6-3/4% cumulative, par value $1,000 per share: authorized 2,000 shares; issued and outstanding 1,849.393	1,849,393	1,849,393
Common stock - par value $.10 per share: authorized 1,500,000 shares; issued and outstanding 1,144,978	114,498	114,498
Additional paid-in capital	1,651,214	1,651,214
Retained earnings	2,016,926	1,575,436
	5,632,031	5,190,541
Total liabilities and shareholders' equity	$ 9,552,348	$ 9,019,816

See accompanying notes.

SANTA FE FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Quarter Ended February 29/28		Fiscal Year-To-Date Nine Months - February 29/28	
	1992	1991	1992	1991
Revenues:				
Partnership income	$ 314,592	$ 376,997	$ 1,182,040	$ 1,248,783
Interest income	83,966	108,820	292,967	339,494
Dividend income	20	20	60	1,727
Other income	22,377	22,271	71,811	66,893
	420,955	508,108	1,546,878	1,656,897
Costs and expenses:				
Selling, general and administrative	119,097	102,039	374,351	325,205
Interest	276	555	1,206	1,764
Depreciation	2,110	4,246	10,629	13,099
	121,483	106,840	386,186	340,068
Income before income taxes and minority interest	299,472	401,268	1,160,692	1,316,829
Income taxes - estimated	114,285	154,106	469,870	530,520
Minority interest	65,988	81,743	249,332	270,837
Net income	$ 119,119	$ 165,419	$ 441,490	$ 515,472
Net income per common share	$.10	$.14	$.38	$.45
Common shares outstanding	1,144,978	1,144,978	1,144,978	1,144,978

See accompanying notes.

SANTA FE FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended February 29/28 1992	1991
OPERATING ACTIVITIES		
Net income	$ 441,490	$ 515,472
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Change in net equity of limited partnership	(313,462)	(374,374)
Minority interest	93,235	133,547
Increase in restricted cash equivalents	(297,664)	(306,427)
Depreciation	10,629	13,099
Change in provision for deferred taxes	3,328	(793)
(Gain) loss in disposal of assets	70	
(Increase) decrease in accounts receivable and other current assets	(23,825)	106,963
Increase (decrease) in accounts payable and accrued expenses	73,470	(17,993)
(Increase) decrease in recoverable income taxes		31,638
Increase (decrease) in income taxes payable	(72,122)	(39,979)
Net cash provided by (used in) operating activities	(84,851)	61,153
INVESTING ACTIVITIES		
Purchase of furniture and fixtures	(1,400)	
FINANCING ACTIVITIES		
Payments on long-term debt	(3,541)	(3,114)
Proceeds from notes receivable	69,619	35,967
Loan to related party	(125,000)	(200,000)
Net cash provided by financing activities	(58,922)	(167,147)
Increase (decrease) in cash and cash equivalents	(145,173)	(105,994)
Cash and cash equivalents at beginning of period	3,496,008	3,533,110
Cash and cash equivalents at end of period	$ 3,350,835	$ 3,427,116

See accompanying notes.

SANTA FE FINANCIAL CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The financial statements included herein have been prepared by the Company, without audit, according to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes the disclosures that are made are adequate to make the information presented not misleading. Further, the financial statements reflect, in the opinion of management, all adjustments (which included only normal recurring adjustments) necessary to state fairly the financial position and results of operations as of and for the periods indicated.

It is suggested that these financial statements be read in conjunction with the audited financial statements and the notes thereto included in the Company's Form 10-K.

The results of operations for the nine months ended February 29, 1992 are not necessarily indicative of results to be expected for the full fiscal year ending May 31, 1992.

The unaudited financial statements covering the Company's operations for the nine months of the current fiscal year ended February 29, 1992 reflect the consolidation of its controlled subsidiary, Portsmouth Square, Inc. The accounts of Portsmouth Square, Inc. have been consolidated on the basis of nine months ended December 31, 1991. Effective May 1, 1990, Camall Trucking, Inc., the Company's wholly-owned subsidiary, was liquidated with any remaining assets transferred to the Company. Pursuant to a court order effective June 1, 1991, all of the remaining assets of Bookkeepers, Ltd. and its subsidiaries were transferred to the Company in full settlement of all claims. Since the assets to be transferred were not sufficient to satisfy the claims, a write-down of the note receivable of $109,066 was made at the end of the fiscal year at May 31, 1991.

2. Notes Receivable

As a result of continued delinquent payments on one of the notes receivable transferred from Bookkeepers, Ltd. with a principal balance of $182,533, the Company in late February executed a formal demand for full payment with notification that if payment was not received, we would repossess the four airplanes held as collateral. The balance of this note was accelerated to a current status at February 29, 1992. Three of the planes were secured in early March. The Company is still in the process of locating the fourth plane. It is expected that the sale of this collateral will fully cover the indebtedness plus any related costs and should be accomplished during the year.

Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations

A comparison of the results for the first nine months of the current year ended February 29, 1992 with the same period of the prior year shows a decrease of 6.6% in total revenues; an increase of 13.6% in total expenses; and a decrease of 14.4% in estimated net income. The decrease in both revenues and estimated net income reflects the depressed national economy particularly with respect to the lowered rates of interest earned on investments. Greater receivership costs as well as audit and tax service fees continued to cause increased expenses. We expect operations for the remainder of the current fiscal year to continue to be impacted by the slow economy and do not expect any significant improvement in operating results.

During the current fiscal year, funds were advanced to Brothers Transportation, Inc., an affiliate. During the four months ended September 30, 1991, the Company advanced $105,000 and this amount plus the balance of $20,000 from the prior year was made into an interest bearing demand note on that date. An additional loan of $21,000 was made in February 1992. Cash resources of the Company remain strong although because of the above loan and the decrease in operating profits, the total cash and cash equivalents at the end of the nine months ended February 29, 1992 had decreased by $145,173 from the total balance at the end of the fiscal year at May 31, 1991.

The Company's future income will continue to be derived from their investment in Portsmouth Square as well as other smaller investments unless there is a change in the scope of planned operations of the Company.

Item 1. Legal Proceedings

In the Receivership litigation, Securities and Exchange Commission v. Walter Wencke, et al., United States District Court, Southern District of California, Case No. 76-0783-GT(M), it was ordered, in part, on January 9, 1992 that "... every person with a claim against the Receivership Estate must file a claim on or before February 28, 1992." Notice of this Order was given to known potential claimants by mail and to all others by publication. This claims procedure is a normal action in a receivership case. Only one claim was filed against Registrant. That claim is in the sum of $105,421.00 plus interest. Registrant will vigorously oppose that claim on the grounds that the claim does not apply to Registrant. Registrant does not believe that the claimant will be successful in its pursuit of the claim against Registrant.

Item 2. Changes in Securities

There have been no changes in securities.

Item 3. Defaults Upon Senior Securities

There have been no defaults upon senior securities.

Item 4. Submission of Matters to a Vote of Security Holders

As fully discussed in Registrant's Form 10-K for its fiscal year ended May 31, 1991, Registrant operates under the supervision of a Federal Court-appointed Receiver. As such, no matters will be submitted to a vote of security holders until after the termination of the Receivership.

Item 5. Other Information

Registrant has no information to report under this item.

Item 6. Exhibits and Reports on Form 8-K

(a) There are no exhibits to this report.

(b) No Form 8-K was filed during the period covered by this report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange

Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SANTA FE FINANCIAL CORPORATION

Date April 14, 1992

By _____
R. N. GOULD, President, Chairman of the Board and Federal Equity Receiver

Date April 14, 1992

By _____
VIRGINIA W. SIMPSON
Financial Officer